GOVERNMENT OF INDIA
STEEL
LOK SABHA

STARRED QUESTION NO:13
ANSWERED ON:26.02.2007
PURCHASE BY SAIL
Bhakta Shri Manoranjan;Mehta Shri Bhubneshwar Prasad

Will the Minister of STEEL be pleased to state:

(a) whether the Steel Authority of India Limited (SAIL) is considering to take over some steel companies of some foreign countries;

(b) if so, the details thereof;

(c) the types of the companies and the names of the countries in which SAIL has planned acquisitions;

(d) whether the Government has received any proposal to start an ancillary company namely SAIL VIDESH;

(e) if so, the details thereof; and

(f) the details of the new projects of SAIL alongwith the amount likely to be spent thereon?

Answer

MINISTER OF CHEMICAL & FERTILISERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (f): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (F) OF THE LOK SABHA STARRED QUESTION NO. 13 TO BE ANSWERED ON 26th FEBRUARY, 2007 TABLED BY S/SHRI MANORANJAN BHAKTA AND BHUBNESHWAR PRASAD MEHTA, MEMBERS OF PARLIAMENT REGARDING PURCHASE BY SAIL.

(a)to(c): Currently there is no specific proposal under consideration of the Steel Authority of India Limited (SAIL) for taking over steel companies in foreign countries. However, SAIL is exploring preliminary possibilities of acquiring some equity stakes in coking coal mines abroad.

(d)&(e): There is currently no proposal from SAIL to start an ancillary company called SAIL VIDESH.

(f) The new projects of SAIL as envisaged in its corporate plan relate to expansion and modernization of its various plants so as to increase its present level of production of 14.6 million tonnes (2005-06) of hot metal per annum to 23.8 million tonnes of hot metal per annum by 2010 at a current tentative estimated cost of around Rs.40,000 Crore. The schemes of individual plants are getting firmed up based on composite feasibility report. So far, schemes for modernization & expansion of IISCO Steel Plant (ISP), Bokaro Steel Plant (BSL) and Salem Steel Plant (SSP) have been approved 'in-principle' by SAIL Board. The composite feasibility report for other units of SAIL at Bhilai, Rourkela and Durgapur including mines are under finalization. The tentative cost estimate of about Rs.40,000 crores is based on in-principle approved schemes for ISP, BSL & SSP and preliminary estimates for schemes of other plants for which composite feasibility reports are under finalization. The final costs of modernization & expansion will be known only after placement of orders through tendering processes.